



Minneapolis: Business Made Simple

Overview

Minneapolis is a great place to start and run a business, but sometimes obsolete or unnecessary regulations can get in the way of opening or expanding a successful business. That's why the City is taking a close look at all of its business regulations to find ways to make Minneapolis even better for businesses to start and grow.

Minneapolis: Business Made Simple is an effort to reduce barriers business owners face when investing in our city. This effort is being led by the City Attorney's office, at the request of the Mayor. In order to keep fueling our significant growth, the City needs to foster investment and avoid unreasonable hurdles for businesses. This can mean simplifying some City rules or eliminating them altogether. At the same time, smart regulation that's clear and easier to follow will help businesses with compliance, saving them and City staff time and money.

Why we need to make business simple

Minneapolis regulates many types of businesses in order to protect consumers and keep them safe. But over the years, many ordinance changes and additions have been made in response to individual problems, leaving us with a network of regulations that can sometimes be complex and cumbersome. Also, as businesses and economic conditions change, some older regulations are no longer necessary and can stand in the way of new investment.

Many City departments have a role to play in regulating businesses, whether it's by issuing business licenses, performing food safety inspections, or enforcing rules related to transportation, alcohol sales, or zoning. That's why it's important for the City to take a broad look at its regulations that affect business, so we can find opportunities to streamline and improve those processes.

We are also a City that takes pride in our diversity and the many small businesses owned by people who've come to Minneapolis from around the world. To achieve long term, sustainable economic growth, we need to ensure that everyone who wishes to invest in a dream or an idea has the opportunity to do so. That requires us to not only streamline regulations, but also make it easier to do business with the City for people whose first language is not English. It can also mean expanding other ways the City can support entrepreneurs.

Improvements we've already made

While this is a new initiative to take a close look at simplifying doing business in Minneapolis, the City has already made a number of improvements in recent years. Examples include:

Business Development Review and the Business Customer Service Center. The creation of this center means business customers and contractors now have a single location to access the City's development, licensing and construction review processes.

Liquor reform. Recently, changes to the City Charter and to local liquor regulations have removed required food-to-liquor sales ratios that burdened small food establishments serving wine and beer.

Health Department. Ordinances relating to farmers markets have been revised, eliminating unnecessary restrictions and requirements, and restaurant inspectors are now trained on ethnic and culture-specific food preparation.

Business licensing. All business license applications are now accessible online so that customers can begin the process when it's convenient for them. Some business license categories have been eliminated.

Mobile food vendors. Legalized by the City in 2010, recent improvements have made these entry-level businesses more accessible to new entrepreneurs.

Transportation. The City created a license for people who want to operate pedicabs in town. Minneapolis is also one of the first cities in the country to develop a licensing process that allows rideshare transportation services like Uber and Lyft to operate in the city.

Reducing City processing times. Business Licensing reduced the average time to obtain a liquor license from 65 days to 38 days. Development Review cut preliminary review times from 20 days to 10 days by providing for concurrent review of plans by Zoning and Construction Code Services.

Zoning. The City revised the regulations in the Zoning Code governing the number of off-street parking and loading spaces that must be provided when establishing a new business. The new regulations offer greater flexibility related to the minimum number of parking spaces that must be provided with new development, while eliminating a parking requirement entirely from the downtown zoning districts.

Minneapolis: Business Made Simple recommendations

Based on feedback from small businesses, review of City ordinances and input from the involved City departments, staff have put together a set of key goals and additional improvements that could be made moving forward.

Highlights include:

Simplify and streamline

- Develop simple checklists that will help small businesses understand and navigate City processes.
- Simplify license application requirements by determining whether some requirements can be narrowed or eliminated.
- Eliminate additional types of business licenses and consolidate others to simplify the application process.

Provide special assistance for small businesses

- Create a position within the City that will serve as a navigator for small businesses so they have an easier time working through City processes.
- Give clearer guidance to new entrepreneurs by developing specialized information materials with helpful guidance for small businesses.

Make things easier and faster

- Shorten the timeline for City processes by requiring fewer items to have a two-month public hearing process before they can be approved. Also, create a system that will allow multiple departments to review plans concurrently, instead of one at a time.
- Proactively provide guides to developers on design elements the City is looking for in building projects, rather than just reacting to submitted plans.

Improve coordination and eliminate inconsistency

- Establish an interdepartmental work group at the City that will identify and resolve issues that are handled inconsistently within divisions and between departments.

Deliver better customer service and plan for continuous improvement

- Develop and implement customer service training for relevant City staff.
- Create a work group with representatives from City departments and divisions to plan, coordinate and oversee continuous improvement in the City's business development review, approvals and licensing process.